

BEFORE THE PUBLIC DISCLOSURE COMMISSION
OF THE STATE OF WASHINGTON

IN RE COMPLIANCE)	PDC CASE NO: #02-285
WITH RCW 42.17)	
)	REPORT OF INVESTIGATION
CITIZENS FOR SUPPORT OF)	
YELM SCHOOLS and)	
JANICE R. McINTYRE, Treasurer)	
)	
_____ Respondents.)	

I.

BACKGROUND

- 1.1 On January 29, 2002, the Public Disclosure Commission received a complaint from Harold Chambers alleging violations of RCW 42.17.040, 42.17.080 and 42.17.090 by Citizens for Support of Yelm Schools. Mr. Chambers specifically alleged that the committee had paid for political advertising and had failed to file any reports with the Public Disclosure Commission.
- 1.2 The Yelm School District proposes a maintenance and operations levy each even-numbered year. In addition to its 2002 M&O levy, the Yelm School District placed a construction bond proposal on the February 2002 ballot. Citizens for Support of Yelm Schools is a political committee which supports Yelm School District's ballot propositions.
- 1.3 The Citizens for Support of Yelm Schools operates as a ballot committee – the committee will engage in a campaign to support a District ballot proposition, become dormant after the election, and remain dormant for several months until the District proposes another ballot measure. Ballot committees file a Political Committee Registration (PDC Form C-1pc) at the beginning of each campaign.
- 1.4 The Citizens for Support of Yelm Schools filed its initial committee registration (PDC Form C-1pc) on March 13, 1982. The initial C-1pc named Janice McIntyre as the committee's chairman. An amended C-1pc filed January 18, 1984 named

McIntyre as the committee's treasurer. The Citizens for Support of Yelm Schools has not reported a change in treasurers since McIntyre became treasurer in 1984.

II.

SCOPE

- 2.1 Staff reviewed the complaint letter received January 29, 2002.
- 2.2 Staff reviewed PDC reports filed by the Citizens for Support of Yelm Schools Committee.
- 2.3 Staff interviewed Glenn Blando, Co-Chairman, and Janice McIntyre, Treasurer.

III.

LAW

- 3.1 RCW 42.17.040 states, in part:

(1) Every political committee, within two weeks after its organization or, within two weeks after the date when it first has the expectation of receiving contributions or making expenditures in any election campaign, whichever is earlier, shall file a statement of organization with the commission and with the county auditor or elections officer of the county ... in which the treasurer resides. ...

(2) The statement of organization shall include but not be limited to: . . .

(i) The street address of the place and the hours during which the committee will make available for public inspection its books of account and all reports filed in accordance with RCW 42.17.080; and . . .

- 3.1 RCW 42.17.080 states in part:

“(1) On the day the treasurer is designated, each candidate or political committee shall file with the commission and the county auditor or elections officer of the county in which the candidate resides, or in the case of a political committee, the county in which the treasurer resides, in addition to any statement of organization required under RCW 42.17.040

or 42.17.050, a report of all contributions received and expenditures made prior to that date, if any.

(2) At the following intervals each treasurer shall file with the commission and the county auditor or elections officer of the county in which the candidate resides, . . . a report containing the information required by RCW 42.17.090:

(a) On the twenty-first day and the seventh day immediately preceding the date on which the election is held; and

(b) On the tenth day of the first month after the election . . .

(c) On the tenth day of each month in which no other reports are required to be filed under this section: PROVIDED, That such report shall only be filed if the committee has received a contribution or made an expenditure in the preceding calendar month and either the total contributions received or total expenditures made since the last such report exceed two hundred dollars.”

(3) For the period beginning the first day of the fourth month preceding the date on which the special or general election is held and ending on the date of that election each Friday the treasurer shall file with the commission and the appropriate county elections officer a report of each bank deposit made during the previous seven calendar days.¹ . . .

(5) ... As specified in the committee’s statement of organization filed under RCW 42.17.040, the books of account must be open for public inspection as follows:

(a) For at least two consecutive hours between 8:00 a.m. and 8:00 p.m. on the eighth day immediately before the election, ...

(b) By appointment for inspections to be conducted at the designated place for inspections between 8:00 a.m. and 8:00 p.m. on any other day from the seventh day through the day immediately before the election, ...²

3.2 RCW 42.17.090 states in part:

(1) Each report required under RCW 42.17.080 (1) and (2) shall disclose the following:

(a) The funds on hand at the beginning of the period;

(b) The name and address of each person who has made one or more contributions during the period, together with the money value and date

¹ RCW 42.17.080(3) was revised by the 2002 Legislature effectively moving the C-3 weekly filing deadline from Friday to Monday. The statute, as quoted, was in effect during the Citizens for Support of Yelm Schools’ 1998, 2000, and 2002 campaigns.

²Prior to a revision by the 1999 Legislature, the period for public inspection occurred every day for a period of eight days prior to the election during two consecutive hours between 8:00 AM and 8:00 PM that were designated on the C-1pc.

of such contributions and the aggregate value of all contributions received from each such person during the campaign or in the case of a continuing political committee, the current calendar year
(d) All other contributions not otherwise listed or exempted;

IV.

FINDINGS

- 4.1 A complaint filed by Harold Chambers was received by the Public Disclosure Commission on January 29, 2002. **(Exhibit 1)** The complaint alleged that the Citizens for Support of Yelm Schools Committee (hereafter CSYS) had sponsored political advertising and had not filed any reports with the Public Disclosure Commission.
- 4.2 Janice McIntyre, treasurer for CSYS, telephoned PDC staff on February 27, 2002 and said that she would complete and file the reports as soon as possible. McIntyre was asked to submit an explanation for the late filing when the reports were filed. The reports were filed during the week ending March 9, 2002. No explanation was submitted for the late filing.
- 4.3 During the investigation of the subject complaint, the PDC staff learned that CSYS had not been filing campaign reports since June 1996 even though the committee had accepted contributions and made expenditures in support of Yelm School District's 1998 and 2000 ballot propositions, as well as the 2002 bond and levy ballot measures. McIntyre provided no explanation for her failure to file reports during the six-year lapse. Current co- chairman Glenn Blando told PDC staff that he was not aware of CSYS' failure to file campaign reports.
- 4.4 CSYS engaged in five campaigns during its six-year lapse in reporting:
 - an M&O replacement levy rejected on February 3, 1998
 - an M&O replacement levy approved on April 28, 1998;
 - an M&O replacement levy rejected on February 1, 2000;
 - an M&O replacement levy approved on April 25, 2000; and
 - an M&O replacement levy approved on February 5, 2002 along with a concurrent bond proposal which was rejected.
- 4.5 CSYS failed to file a C-1pc for the campaigns listed in ¶4.4. The committee's failure to file a C-1pc prevented access to its campaign records during the public inspection period preceding each election.

- 4.6 CSYS failed to timely file campaign reports for the campaigns listed in ¶4.4. CSYS filed 2002 campaign reports during the week ending March 9, 2002, after the February 5 election. CSYS filed campaign reports for the last half of 1996, 1997, 1998, 1999, and 2000 on April 1, 2002.³ The reports filed by CSYS reflect the following campaign receipts and expenditures⁴:

	<u>Monetary and In-Kind Contributions</u>	<u>Campaign Expenditures (including In-Kind Contributions)</u>
1998 campaigns	\$12,074.98	\$12,537.57
2000 campaigns	\$13,676.22	\$15,020.23
2002 campaign	\$14,393.80	\$12,295.03
TOTAL	\$40,145.00	\$39,852.83

(Exhibit 2)

- 4.7 McIntyre fully cooperated with PDC staff during the investigation of the subject complaint.

Respectfully submitted this 30th day of April, 2002.

Lori Anderson
Sr. Political Finance Specialist

EXHIBIT LIST

Exhibit 1 Complaint.

Exhibit 2 PDC staff-generated summary of late-filed reports of the Citizens for Support of Yelm Schools, and
Reports filed by the Citizens for Support of Yelm Schools for reporting periods October 1997 through March 2002.

³ The committee's 2001 activity was included in the reports filed for the 2002 campaign.

⁴ The committee failed to timely report receipt of \$5,489.48 in monetary contributions and expenditures of \$3,557.24 in calendar year 1996, however the statute of limitations has expired for activity that occurred in 1996.